Current
Policy No. 146

Ocean Development in the 1980s

March 11, 1980

United States Department of State
Bureau of Public Affairs
Washington, D.C.

Following is an address by Thomas R. Pickering, Assistant Secretary for Oceans and International Environmental and Scientific Affairs, before the National Ocean Industries Association in Washington, D.C., on March 11, 1980.

It is a pleasure to be with you at your Eighth Annual Meeting. Your theme, "The 1980s: Decade for Ocean Development," is timely and places you in good company. As you know, last year 53 Members of the Congress broached the concept of the 1980s as a decade of ocean resource use and management in a letter to the President. The idea is now under study by the Administration and by the presidentially appointed National Advisory Committee on Oceans and Atmosphere.

By whatever name we give to these endeavors—whether it be the decade of ocean development, the decade of ocean resource use and management, or a name yet to be coined—I believe we are all striving to attain a common goal. That goal is the development of marine resources, through the encouragement of private enterprise, in a manner that protects the marine environment and equitably accommodates the often competing demands on ocean space.

Certainly, that is a principal goal of the bureau which I head in the Department of State—the Bureau of Oceans and International Environmental and Scientific Affairs. We are charged with handling a wide variety of international oceans issues pertinent to your theme. These include fisheries negotiations and ocean management matters concerned with marine scientific research, marine mammals, marine pollution, and polar affairs. We also have responsibilities with regard to the third U.N. Conference on the Law of the Sea, which is presently meeting at the United Nations in New York. At the conclusion of the Law of the Sea Conference, my bureau will be responsible for the foreign policy followup and implementation.

During the past year we have been engaged in an analysis of likely trends and related national objectives in ocean affairs during the 1980s. I would like to share with you some of our thoughts on these matters, particularly as they relate to the development and management of ocean resources. I look forward to your comments on our analysis in the discussion period after these remarks.

We see that, whether or not a law-of-the-sea treaty is concluded, principles are evolving that will be applicable to the development and management of ocean resources. Chief among these is the growing trend toward coastal state control over exploring, exploiting, conserving, and managing both the living and nonliving resources of the seabed, subsoil, and superjacent waters out to 200 nautical miles from the coast. Coastal state control over other activities such as the production of energy from the water and winds would also be asserted. Because most of the presently exploitable resources of the oceans are found within 200 nautical miles of the coast, during the 1980s the majority of ocean resource activities will be carried out under the regulation and control of na-

tional governments, although we in the State Department will necessarily be involved because of the potential for dispute and conflict which these activities could engender.

Fisheries

The ocean resource activity with which the Department of State has had the longest association is fishing. Since the 1940s the Department has been concerned with the development and management of the living resources of the oceans as an important world source of protein. Looking ahead to the decade of the 1980s, we foresee a declining per capita world fisheries harvest. Despite a marked increase in investment in fishing fleets since 1970, the annual world catch has increased little beyond 70 million tons. At the same time the world's population continues to grow apace.

During the 1980s maximum sustainable yields will have been reached or surpassed in many regions unless more sophisticated management schemes are instituted to rebuild stocks. Better management might actually reduce world catch over the short run as overfishing in some regions is cut, but the end result should be a higher sustained catch over the longer term as depleted stocks recover. An increase in the world catch to 80 million tons by the year 2000 is a possibility. We also see a trend through the 1980s away from long-distance fishing fleets, as coastal states extend their control. Increased emphasis will be placed on new coastal fishing vessels and domestic shore-based or offshore processing operations.

We expect U.S. fisheries policy to continue to be set by the Fishery Conservation and Management Act of 1976, which established our 200-nautical-mile fishery conservation zone. Under the terms of that act, regional fishery management councils initiate the calculation of the optimum yield from each fishery, and determine how much U.S. vessels are capable of harvesting. The Department of State allocates the balance to other nations with which we have governing international fishery agreements. In the past, the primary factor in the Department's determination of allocations has been the traditional or historical levels of foreign fishing.

However, sentiment also is growing in Congress, industry, and the regional councils to use U.S. fish allocations as devices or bargaining chips to open foreign markets to U.S. fisheries exports and to gain other economic benefits in the fisheries arena. We share this interest. As an example, we are now carrying on consultations with Congress, the Commerce Department, and industry prior to reallocating some 350,000 tons of fish we withheld from the Soviet Union in our reaction to the Soviet invasion of Afghanistan. These consultations will establish the basis for reallocation of this resource, including how we can use it to promote the exports of our own fish.

The Fishery Conservation and Management Act has encouraged significant new investment in the U.S. harvesting and processing capacity. During the 1980s we expect to see a continuing decline in the level of foreign fishing off our coasts. This will reduce the occasions to negotiate additional governing international fishery agreements except in cases where there are opportunities for either reciprocal access by U.S. vessels or where there is a potential for increased economic benefit in the U.S. fisheries sector, such as establishing new joint ventures and increased foreign trade. During the 1980s we will also be giving priority to negotiating arrangements with other countries to help maintain U.S. access to important distant water fisheries such as tuna and shrimp.

Mineral Resources

Turning from fish to mineral resources, during the past decade exploration for petroleum and natural gas from ocean areas has increased dramatically. The search for hydrocarbons on the continental shelf has accelerated at a pace that has exceeded all expectations. However, management of the increased recovery of petroleum from the continental shelf should not prove to be as difficult as the management of fisheries. Unless the seaward extension of a boundary between two countries happens to cross an oil pool, cooperative international management arrangements for the production of petroleum should not be necessary. Where the problem of a common pool occurs, a bilateral or multilateral agreement will have to be reached if it is to be exploited efficiently. In certain areas, cooperative arrangements concerning the landing or shipment of oil and gas may be desirable.

The increased exploitation of offshore petroleum in the 1980s will bring greater possibilities of blowouts and other pollution incidents. Of particular interest to my Department are the possible transboundary environmental impacts arising from offshore hydrocarbon development. The massive blowout and oil spill of the Ixtoc well in the Bay of Campeche is an example of the effect upon our nation of the activities on the continental shelf of another. The mutual vulnerability of coastal nations bordering the same body of water points to a clear need to harmonize safety and antipollution measures, including provisions for blowout prevention, control, and liability.

Working in close cooperation with other agencies such as the Coast Guard, the Department of Energy, and the Department of the Interior, we expect during the 1980s to negotiate with our neighboring nations new and additional contingency planning and other environmental agreements concerning offshore hydrocarbon development. Such initial agreements may well also serve as a precedent for the negotiation of minimum safety and environmental standards within a broader international context. Our long-term goal will be the development of an internationally agreed upon policy for offshore resource activities which have possible transboundary impacts.

Antarctic Resources

Interest in ocean resources have directed man's attention to the farthest frontiers of our planet. The ongoing discussions within the Antarctic Treaty system to develop regimes for the management of the living resources in Antarctic waters and of Antarctica's mineral resources—primarily offshore hydrocarbons—testify to this interest. The United States has taken the lead in seeking solutions to these resource issues. Our objectives for this decade involve:

- Maintaining the Antarctic Treaty system which has successfully reserved Antarctica for peaceful purposes as an arena of free scientific research for the past two decades;
- Instituting an effective system of managing and harvesting its living resources so that the renewability of these resources and the health of the marine ecosystem of which they are a part will be insured; and
- Developing an international regime to determine the acceptability of possible mineral resource activities in Antarctica and to govern any such activities carried out there.

To achieve these objectives we must find imaginative solutions to differences of view over sovereignty in Antarctica and imaginative approaches to resource management. We are very close now to an agreement on a convention for the conservation of Antarctic marine living resources and have made a good start toward dealing with mineral resources. If we persevere on the

basis of experience and in the spirit of the Antarctic Treaty system I believe that we will achieve our goals in both of these important resource areas.

Renewable Energy Resources

Toward the end of the decade of the 1980s, renewable ocean energy sources, such as ocean thermal energy conversion, will become commercially attractive. By the middle 1980s the Department of Energy intends to inaugurate a power plant for ocean thermal energy conversion of about 10 megawatts for experimental and demonstration purposes. Successful demonstrations, combined with ever-increasing oil prices, could make this type of energy conversion a very interesting energy option during the 1990s for countries in a suitable geographic environment, especially if they must import oil for baseload electricity generation. We expect demonstration projects during the 1980s to receive a great deal of attention, especially with respect to their possible environmental impacts and with respect to the international legal regime under which ocean thermal energy conversion is to operate.

Environmental Concerns

In addition to possible injury from offshore energy production, the environmental health of the ocean in the 1980s may be threatened by greater pressures to use the oceans for dumping. Increasing environmental and political objections to the land-based disposal of highly toxic chemical wastes are making at-sea incineration of such wastes more attractive. During 1979, the ocean dumping convention was amended to take account of this emerging technology. Interim technical guidelines were endorsed by the parties at their fourth consultative meeting.

Disposal of nuclear wastes at sea is also likely to become a more visible issue in the 1980s. Quantities of low-level radioactive wastes being dumped at the Organization for Economic Cooperation and Development's north Atlantic site have been increasing yearly, and the United States, while not a dumping country, has advocated proper monitoring and assessment of the site. The possible emplacement of high-level nuclear wastes in the deep seabed is also receiving increased attention. The United States is studying this concept as a backup option to our primary plans for land-based geological disposal of such wastes. But for countries having serious demographic, geographic, geologic, or hydrologic restrictions, the deep seabed option may be the only alternative short of shipping wastes to other nations. As further experimentation and development occur on the concept during the 1980s, international legal and policy issues are certain to arise.

The Department of State will also continue to be involved in the more traditional ocean pollution issues. Repeated accidents involving large supertankers will require us to be concerned with the development of standards which meet the needs of the international community. Because of our strategic interests in the freedom of navigation, the United States wishes to move the international community away from the concept of absolute coastal state control for pollution purposes in the 200-mile zone. We are instead in favor of other means of handling offshore pollution, such as agreements for joint pollution enforcement, contingency plans for containment and cleanup, information exchange regarding shipping, and port entry regulation.

Solving pollution problems resulting from ocean-based activities is, however, only part of the issue. At present, land-based activities are responsible for the bulk of ocean pollution through river runoffs and atmospheric transfers. With the continued growth of coastal populations and increased agricultural and industrial activity, the pressures on the oceans' absorptive capacities from land-based activities will increase.

The Department of State is working with the National Oceanic and Atmospheric Administration (NOAA) to develop methods for comparing strategies for dealing with coastal zone pollution on an international basis. It is essential that monitoring of the marine environment and scientific research to increase our understanding of marine pollution processes be carried out. The National Ocean Pollution Research and Development and Monitoring Planning Act of 1978 designates the NOAA as the lead agency for developing a comprehensive 5-year plan for Federal ocean pollution research and development and monitoring programs. This plan is to be revised and updated at 2-year intervals. In the coming years we expect also to work closely with NOAA and the other Federal agencies in determining how our national marine pollution monitoring, research, and regulation programs might complement similar activities of international organizations.

Rights of Navigation

While coastal nations are consolidating their control over resources within 200 nautical miles of their coasts, these same ocean areas will be used by other nations for navigation. The need to accommodate national and international rights and duties within 200-mile zones will be one of the more difficult tasks facing us in this decade. My Department will work with other Federal agencies in developing national and international regulations safeguarding navigation in areas of resource activity. The negotiating text presently under consideration within the Law of the Sea Conference treats this subject to the satisfaction of the United States.

Another navigation issue which appears to be emerging as a major problem involves the safety of navigation in congested areas, such as international straits or entrances to harbors. These issues may well have to be addressed in international organizations such as the Intergovernmental Maritime Consultative Organization.

Conference on Law of the Sea

As you know, the third U.N. Conference on the Law of the Sea resumed its ninth session in New York on February 27. My bureau, along with Ambassador Richardson [Special Representative of the President for the Law of the Sea Conference] and his interagency team, has worked long and arduously to develop a realistic negotiating posture in the hope of obtaining substantial progress, as we perceive it, in revision I of the Informal Composite Negotiating Text. As many of you are aware, we have tried to draw upon all the varied interests in the United States who will be affected by a comprehensive law-of-the-sea treaty, including, most certainly, the industries represented by your organization.

At this time, while our representatives are deep in intensive negotiation of a terribly lengthy and intricate text, I cannot predict exactly what improvements we can anticipate at the conclusion of this session. Certainly our negotiators have serious concerns with the present text as it applies to the transfer of technology, a subject with which your organization has been so interested. We are hopeful that a number of changes will be accepted by the conference in the area of technology transfer with regard to seabed mining as well as in the related provisions pertaining to voting rights, assured access, financial arrangements, and other topics.

It would be less than candid if I left you with the impression that the United States negotiating team will obtain agreement from the conference on

all the positions that we are proposing to protect the economic interests of the United States. We will do our utmost. Our goal is to obtain a treaty that, on balance, will be acceptable to the United States, including the firms represented by the National Oceans Industries Association.

The Senate has already enacted a bill on deep seabed mining and the House has a similar bill before it. Generally, we continue to believe that the legislation should:

- Be transitional or interim, pending international agreement on a regime for the deep seabed;
- Proceed on the legal basis that, notwithstanding future agreement on an international regulatory regime, deep seabed mining is a freedom of the high seas;
- Not contain investment guarantees against financial losses as a consequence of U.S. ratification of an international treaty;
- Provide for effective environmental protection, sound resource management, the safety of life and property at sea, and effective law enforcement;
- Establish an international revenue-sharing fund to be used for the benefit of developing countries;
- Encourage other deep-seabed-mining legislation patterned on our example through the mechanism of reciprocating state recognition of rights;
- Not require that vessels used in the recovery, processing, or transport of hard minerals from the seabed be exclusively constructed in or documented under the laws of the United States;
- Not require processing plants to be located in the United States; and
- Not issue licenses or permits for specific mine sites in a manner that could be misinterpreted as assertion of sovereignty over high seas areas on the seabed.

We believe that these elements are not only consistent with the establishment of an effective domestic seabed-mining regime, but also are fully compatible with the goals and position we have espoused in the law-of-the-sea negotiations. ■

Published by the United States Department of State • Bureau of Public Affairs • Office of Public Communication • Editorial Division • Washington, D.C. • April 1980 • Editor: Colleen Sussman

Bureau of Public Affairs
United States Department of State
Washington, D C. 20520

Official Business

Postage and Fees Paid
Department of State
STA-501

Third Class Bulk Rate